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Outlook glum for production in 1st quarter

By Patricia Hoffman
Staff Writer

There is little hope of speedy recovery for the domestic auto industry in early 1981, as many of the makers are forced to continue cutting production because of slumping sales.

Although Ford Motor Co. and Volkswagen of America are making their way into the new year with a jump over last year's figures, the industry as a whole will see little change in first-quarter production from the comparable 1980 period.

The 1980 recession, which dragged auto production for the year down below the 6.3 million mark from 1979's 8.5 million, is expected to continue through the first quarter of 1981. Auto output is scheduled at 1,792,581, down a slight 0.36 percent from the 1,799,108 units built in the corresponding months in 1980, and the lowest since the 1,300,792 assembled in the first quarter in the recession year of 1975.

Breakdown by companies for this quarter is: General Motors, 1,130,000, down 4.39 percent from 1,181,890 last year; Chrysler Corp., 123,934, down 26.67 percent from 169,022; American Motors, 39,875, down 22.34 percent from 51,347, and Checker Motors, 617, down 19.87 percent from 770.

• Ford Motor has scheduled a 26.04 percent increase for the quarter. Planned output is 439,000, up from the 348,313 built a year earlier.

Volkswagen of America also has scheduled an increase with a target of 59,155, up 23.84 percent from 47,766 last year.

Despite the extended downtime for some auto makers in January, output for the month is scheduled to be up from 1980. Planned output for January is 558,831, up 5.12 percent from the 531,584 units built the same month last year.

The increase is primarily due to downtime at several Ford assembly plants during the entire month of January last year and a strike at VWoA which cut production two weeks that month.

Ford plans a January increase of 68.75 percent from last year's 81,777 to 138,000, and VWoA has scheduled output of 17,335 cars, more than triple last year's 5,680.

January forecasts for other companies for this month are: GM, 345,000, down 9.04 percent from 379,305 last year; Chrysler, 45,000, down 5.87 percent from 47,805; AMC, 13,291, down 20.35 percent from 16,888, and Checker Motor, 205, down 10.48 percent from 229.

4x4 Concept



Meet Montana Lobo

This mustard gold-and-black Montana Lobo, a four-by-four vehicle engineered by Ford Design Center, International Studio, Dearborn, claims to take over where most off-road vehicles quit. Features include tinted bubble doors, a sliding glass rear door, integral roll bar, overhead airfoil and side rails with louvered panels. Inside, operational readouts are located on a floating pod and electronic digital instruments are located on an overhead console.

Luxury J-car destined for Cadillac-only points

Outlets for Cimarron to be limited

By Joseph Bohn
Marketing Editor

Has Cadillac found a more profitable way to market a car?

In a move that has clearly upset a majority of its dealers, the division is limiting availability of its new luxury small car, the Cimarron, to about 15 percent of the dealer body during spring introduction.

That means only about 250 "exclusive," non-dual dealers out of 1,600 nationally will get a Cimarron to sell. There is no definite date when other Cadillac dealers will get the car, according to a factory letter to franchisees.

The Cimarron, which is expected to be priced at about \$12,500, is Cadillac's version of the General Motors subcompact J-car. The J will also be marketed by Chevrolet as the Cavalier and by Pontiac as the J-2000.

The new small car will be billed as "Cimarron by Cadillac." Whether this is a subtly sufficient change to enable GM to get around its franchise agreement with Cadillac dealers is a moot point.

Only 15,000 Cimarrons will be built in the first April-October run, and 30,000 from April to December, 1981.

Chuck Crissman, Wilson-Crissman Cadillac, Birmingham, Mich., is among the fortunate few who qualify for the car from day one. He agrees with Cadillac's position that dealers who haven't dualled with any other make, need more financial support.

"This is an opportunity, a good show on the division's part, to those dealers who have been loyal," Crissman said. "I think dealers who stood by Cadillac and did not dual with foreign makes deserve a shot at that market. . . . They haven't had anything to sell in that price range."

Dana Martin, Martin Cadillac, Los Angeles, also gets first crack at the Cimarron. He said that "maybe it's true that single-line dealers are hurting the most. Maybe there's a good rationale for giving them the car."

Ford-U.S. deal avoids big recall on transmissions

WASHINGTON. — Ford Motor Co. will not have to recall some 16 million 1972-79 vehicles whose automatic transmissions allegedly slip from Park to Reverse.

The company and the NHTSA reached an agreement on the matter last week. It would have been the most extensive and the costliest recall in history. The potential cost to Ford was estimated at \$100 million.

Ford will not have to modify the transmissions. Instead, it will mail owners of the vehicles a sticker to be placed on the instrument panel.

The sticker will warn drivers not to leave the vehicle when the engine is running, to use the parking brake and to make sure the shift lever is placed firmly in the Park position.

This will cost the company \$5 million to \$10 million, according to a Ford spokesman.

The stickers will be mailed to about 20 million owners of 1970-79 vehicles. As noted, the recall would have involved 16 million 1972-79 cars and trucks. The statutory provisions of a recall have expired on the earlier units.

Ford, Lincoln and Mercury cars and Ford light trucks were included in the long dispute.

Ford Motor, naturally, was delighted with the settlement. In addition to the monetary considerations, the publicity of a

recall would have been extremely bad for a company that already has more than its share of problems. Ford lost \$1.2 billion in the first nine months of this year, and its full-year loss could reach \$1.8 billion.

"We were very pleased with the resolution (of the matter)," a Ford spokesman said. "We have said throughout that there is no defect in our vehicles, and we're very pleased that the investigation has been dropped."

Ford agreed to send out the stickers, he said, because "we believe that unexpected vehicle movement can be avoided though drivers' observing these longstanding safety rules and because we believe this is an appropriate way of resolving this matter with NHTSA."

At presstime, there had been no comment from Joan Claybrook, NHTSA chief, on the dropping of the investigation. There were reports that NHTSA's bid for a recall was overruled by Transportation Secretary Neil Goldschmidt and members of his staff.

Ford has been fighting the possible recall strenuously. The company's counsel in the proceedings before NHTSA was William T. Coleman Jr., a former Secretary of Transportation.

• NHTSA has been investigating the Ford vehicles for more than three years trying to decide whether the design of the Ford automatic shift mechanism is responsible for the vehicle's alleged tendency to slip from Park to Reverse without warning or whether it is the car owner's negligence.

Last June, in the face of more than 23,000 complaints from Ford owners and 98 fatalities attributed to the problem, the safety agency decided it was Ford's fault and issued its initial defect finding.

breaking news

Isuzu to build version of GM's J-car

DETROIT. — Isuzu Motors, Ltd., will build a version of General Motors' new J-body subcompact in Japan beginning late this year or early 1982, a GM source confirmed. The Isuzu-built model will be sold primarily in Japan, though export is a possibility, the source said. Reports from Tokyo said Isuzu would build 5,000 J-cars per month.

Chrysler reports sales up 19.80 pct.

DETROIT. — Chrysler Corp. announced a mid-December sales increase of 19.80 percent and best K-car sales since the introductory period in October. Breaking the tradition of no reports during the industry's Christmas holiday, Chrysler staff released domestic passenger-car sales figures of 19,529, up from 16,301 a year ago. Volkswagen of America's Rabbit sales numbered 3,445, down 18.69 percent from 4,237. General Motors and Ford Motor Co. mid-December sales will be released today.

See BREAKING NEWS, Page 24, Col. 4

Market penetration tops 30 percent

Registration of imports sets year's 5th record

By Richard A. Wright
Assistant Managing Editor

Registrations of new imported cars in September set a record for the month, the fifth monthly record of the year and the second in a row, according to figures compiled by R. L. Polk & Co.

New import registrations in September totaled 212,429, up 9.45 percent from 194,081 a year earlier. The former record for the month was 199,332, set in 1977.

Import penetration of the September new-car market was 30.26 percent, compared with 22.69 percent a year earlier. Penetration was slightly lower than the record 30.51 percent in August.

For the first nine months of 1980, import registrations totaled 1,898,459, up 7.06 percent from last year.

Imports accounted for 28.88 percent of U. S. new-car registrations in the first nine months, compared with 22.44 percent last year.

• Market shares were little changed from a year earlier, with Subaru posting the biggest advance by taking 5.27 percent of September registrations, up 1.58 percentage points.

Other gainers were Volkswagen, up 1.11 points to 10.73 percent; Honda, up 0.72 of a point to 14.52 percent; Mazda, up 0.07 of a point to 6.31 percent, and Volvo, up 0.02 of a point to 2.63 percent.

The top two import sellers were both down. Toyota took 21.74 percent of the September import market, off 0.81 of a point, while Datsun accounted for 20.00 percent, down 0.37 of a point. Fiesta was also down 0.54 of a point to 2.71 percent.

Rounding out the top 10 imports in September were Mercedes-Benz, which took 2.26 percent, and Arrow, which accounted for 1.81 percent. Neither was in the top 10 a year earlier.

The top 10 imports accounted for 87.98 percent of total import registrations in September, up from 86.59 percent a year earlier. For the first three quarters of the year, the top 10 accounted for 88.63 percent, compared with 86.12 percent last year.

• September registrations of imported cars by country of origin, with year-earlier figures in parentheses, were: Japan, 153,421 (138,447); West Germany, 41,165 (37,483); Sweden, 6,646 (6,316); United Kingdom, 4,536 (3,991); Italy, 3,536 (5,015), and France, 3,125 (2,829).

Registrations of imported cars

Detroit Diesel recalls 20,000 'Fuel Pinchers'

DETROIT.—Recall of about 20,000 of its 8.2 liter Fuel Pincher diesel engines has been announced by the Detroit Diesel Allison Division. The engines are used in certain 1980 and 1981 medium trucks and school-bus chassis.

The recall is to correct two conditions which DDA said could cause the throttle to become ineffective in controlling engine speed. One results from the engine crankcase becoming overfilled. The other results from a possible separation of the governor linkage lock.

by country of origin for the first nine months of 1980, with year-earlier figures in parentheses, were: Japan, 1,413,499 (1,227,082); West Germany, 350,158 (386,559); Sweden, 49,312 (52,276); Italy, 34,047 (51,510); France, 26,967 (22,027); UK, 24,468 (33,853), and others, 8 (1).

Registrations of imported trucks in September totaled 50,061, up 38.35 percent from 36,185 a year earlier.

Registrations of imported trucks in September, with year-earlier figures in parentheses, were: Toyota, 13,669 (12,012); Datsun, 10,913 (5,533); Chevrolet LUV, 7,644 (6,976); Ford

IMPORT REGISTRATION SHARES IN U. S.

SEPTEMBER						NINE MONTHS					
	Regis., Sept., 1980	Percent Share of Market	Regis., Sept., 1979	Percent Share of Market	Pct. Pt. Change '80 vs. '79		Regis., 9 mos., 1980	Percent Share of Market	Regis., 9 mos., 1979	Percent Share of Market	Pct. Pt. Change '80 vs. '79
Toyota.....	46,189	21.74	43,762	22.55	- 0.81	Toyota.....	440,760	23.22	349,193	19.69	+ 3.53
Datsun.....	42,493	20.00	39,542	20.37	- 0.37	Datsun.....	398,578	20.99	323,952	18.27	+ 2.72
Honda.....	30,838	14.52	26,778	13.80	+ 0.72	Honda.....	263,542	13.88	256,021	14.44	- 0.56
Volkswagen..	22,791	10.73	18,677	9.62	+ 1.11	Volkswagen..	195,094	10.28	223,011	12.58	- 2.30
Mazda.....	13,400	6.31	12,115	6.24	+ 0.07	Mazda.....	114,845	6.05	104,680	5.90	+ 0.15
Subaru.....	11,193	5.27	7,169	3.69	+ 1.58	Subaru.....	91,514	4.82	74,411	4.20	+ 0.62
Fiesta.....	5,760	2.71	6,304	3.25	- 0.54	Fiesta.....	52,073	2.74	60,074	3.39	- 0.65
Volvo.....	5,579	2.63	.....	.....	.....	Arrow.....	45,263	2.38	.....	.....	.....
Mercedes.....	4,793	2.26	.....	.....	.....	Coit.....	41,283	2.18	47,970	2.70	- 0.52
Arrow.....	3,849	1.81	.....	.....	.....	Volvo.....	39,716	2.09	40,913	2.31	- 0.22
Fiat.....	.....	.....	4,533	2.34	.....	Fiat.....	.....	.....	46,886	2.64	.....
Audi.....	.....	.....	4,112	2.12	.....	All Others.....	215,791	11.37	246,197	13.88	- 2.51
All Others.....	25,544	12.02	26,026	13.41	- 1.39	TOTAL.....	1,898,459	.....	1,773,308	.....	.....
TOTAL.....	212,429	.....	194,081	.....	.....	Share of U.S. Total.....	.....	28.88	.....	22.44	+ 6.44
Share of U.S. Total.....	.....	30.26	.....	22.69	+ 7.57	Registrations not available for Oklahoma.	.....	.....	.....	.....	.....

Courier, 6,845 (5,470), and others, 10,990 (6,194).

The truck import total for the first nine months of 1980 was 407,923, up 12.60 percent from

362,269 last year.

Registrations of imported trucks in the first three quarters, with year-earlier figures in parentheses, were: Toyota, 106,-

879 (93,804); Datsun, 84,889 (78,589); Chevrolet LUV, 65,484 (73,360); Ford Courier, 57,672 (58,779), and others, 92,999 (59,737).

Robert Bosch salu

The Right Stuff is what makes some racing drivers consistent winners. It's a kind of inner gyroscope that keeps hair-trigger reflexes and cool-headed judgment in balance. The Right Stuff gives winners that sure instinct for "working the edge"—that thin line between fear and hesitation on the one side, bravado and dumb luck on the other.

Robert Bosch congratulates these drivers who in 1980 left no doubt that they have the Right Stuff. Naturally, we are pleased to point out that they turned in their remarkable performances with the help of one or more Robert Bosch products—spark plugs, ignition parts or fuel injection.



Peter Kuhn—1980 Bosch/VW Super Vee Winner
Peter Kuhn of Chatham, New Jersey came from the back of the pack to win this year's 10th anniversary season of professional Super Vee racing in America. Kuhn hit his stride by mid-season, winning four straight races to close in on the title in the Bob Varnberg Driftwood Racing Ralt RT-5.

Super Vees now run for a \$250,000 purse, and these VW water-cooled-engine racers reach speeds of over 160 mph utilizing Robert Bosch spark plugs, ignition components and fuel injection systems.

John Bauer—1980 SCCA Trans-Am Winner
Driving a Porsche 911 SC, John Bauer of San Luis Obispo, California took four of the first six races he entered and never looked back in winning the series title.

Bauer proved the reliability of Robert Bosch components by competing against the much larger displacement engine Corvettes and Camaros in America's oldest road racing series.